

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,)	CASE NO.
)	
Plaintiff,)	JUDGE
)	
v.)	<u>INFORMATION</u>
)	
CARL MICHAEL DILLEY)	
TODD DILLEY)	
EDWARD LEMASTER)	Title 18, United States Code, §§ 371, 1341,
EDWARD VOLZ)	1951
THOMAS YUGOVICH)	
Defendants.)	

The United States Attorney charges:

General Allegations

At all times relevant to this Information:

1. The City of Mansfield was a Municipal Corporation in the Northern District of Ohio, Eastern Division.
2. Defendant CARL MICHAEL DILLEY was employed by the City of Mansfield as a Supervisor in the Maintenance Department.
3. Defendant TODD DILLEY was employed by the City of Mansfield as the Operations Supervisor in the Sewer Department.
4. Defendant EDWARD LEMASTER was employed by the City of Mansfield as a Supervisor in the Water Treatment Department.

5. Public Employee #1 was employed by the City of Mansfield as a Foreman in the Sign and Signal Department.

6. Defendant EDWARD VOLZ was employed as the Supervisor in the Street / Sign and Signal Department.

7. Defendant THOMAS YUGOVICH was a salesman who sold products to the City of Mansfield on behalf of T&L Supply, Dyna Systems, Xergon, and Partsmaster.

8. Brian Long operated a sole proprietorship named Tycour Company in the Northern District of Ohio, Eastern Division.

The United States Attorney further charges:

COUNT 1

**Conspiracy to Commit Mail Fraud, 18 U.S.C. § 371
DEFENDANTS: CARL MICHAEL DILLEY AND TODD DILLEY**

9. The allegations contained in paragraphs 1- 3 and 8 of the General Allegations section of this Information are realleged and incorporated by reference as though fully set forth herein.

10. From on or about November 1, 1998, and continuing until on or about August 17, 2001, the exact dates being unknown to the United States Attorney, in the Northern District of Ohio, Eastern Division, CARL MICHAEL DILLEY and TODD DILLEY, Defendants herein, and Brian Long, not named herein, did knowingly and willfully combine, conspire, confederate, and agree with each other and with others known and unknown to the United States Attorney, to commit certain offenses against the United States, namely, mail fraud, in violation of Title 18, United States Code, Section 1341.

PURPOSE AND OBJECT OF THE CONSPIRACY

11. It was the purpose and object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the City of Mansfield by using materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts, to induce the City of Mansfield to pay Tycour money for the benefit of the owners of Tycour and the defendants.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included, among others, the following:

12. Tycour was established by Brian Long to appear to be a business selling various products to the City of Mansfield.

13. The Defendants named in this count procured purchase orders from the City of Mansfield requesting the purchase of products from Tycour.

14. Following receipt of a purchase order, Long sent an invoice to the City of Mansfield from Tycour requesting payment for the products that had purportedly been provided.

15. Even though no products were ever provided from Tycour to the City of Mansfield, the Defendants named in this count falsely claimed that products had been received and made arrangements for the City of Mansfield to pay Tycour for the supposed products.

16. The City of Mansfield, relying on the false information provided to it from the Defendants named in this count, would send checks through the United States Mail to Tycour as payment for the products.

17. Brian Long of Tycour would convert the checks received from the City of

Mansfield to cash, retain a portion of the cash, and give the remainder to the individual city employee responsible for generating the purchase order.

OVERT ACTS

18. The following overt acts, among others, were performed in the Northern District of Ohio and elsewhere in furtherance of the conspiracy:

Overt Acts 1 - 14

19. On or about the dates listed below, purchase orders were obtained by the following individuals:

Overt Act	Amount	Purchase Order No.	Date	Description	Individual
1	\$2,495.00	032687	10/30/1998	Cooling Tower Treatments	Mike Dilley
2	\$1,500.00	036263	3/20/1999	Boiler Cleaning Compound	Mike Dilley
3	\$4,242.75	037774	7/14/1999	Electric Parts/Supplies, Barrels/Cones/Lights	Todd Dilley
4	\$2,488.74	040518	9/22/1999	Assorted Shovels/Rake	Todd Dilley
5	\$4,638.00	042672	1/10/2000	Pipe	Todd Dilley
6	\$4,485.00	044703	2/22/2000	Degreaser/Root Control	Todd Dilley
7	\$4,234.00	044746	5/5/2000	Barrells/Cones/Light	Todd Dilley
8	\$3,725.00	049326	8/3/2000	Heating Treatment	Mike Dilley
9	\$5,678.50	047993	8/10/2000	Degreaser, Root Control	Todd Dilley
10	\$3,671.78	054673 & 055122	3/5/2001	Shovels, Degreaser, Sealer	Todd Dilley, Mike Dilley
11	\$6,707.50	054674	3/5/2001	Degreaser, Supplies	Todd Dilley
12	\$2,932.98	057351	5/21/2001	Tools	Todd Dilley
13	\$1,199.35	058174	7/23/2001	Degreaser/Pest Control	Mike Dilley

14	\$6,707.5	057381	7/23/2001	Transfer Gear Parts; Degreaser, Root Control	Todd Dilley
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Overt Acts 15 - 28

20. On or about the dates listed below, checks in the listed amounts were received by Tycour via the United States mail from the City of Mansfield in payment for the following purchase orders:

Overt Act	Check No.	Check Date	Purchase Order No.	Amount
15	051828	11/20/1998	032687	\$2,495.00
16	054714	4/16/1999	036263	\$1,500.00
17	057567	8/20/1999	040356 & 037774	\$6,416.87
18	058953	10/22/1999	040518	\$2,488.74
19	061318	2/25/2000	042672	\$4,638.00
20	062282	4/7/2000	044703	\$4,485.00
21	063394	5/26/2000	044746	\$4,234.00
22	065853	9/8/2000	049326	\$3,725.00
23	066036	9/15/2000	047993	\$5,678.50
24	004924	4/6/2001	054673 & 055122	\$3,671.78
25	005055	4/13/2001	054674	\$6,707.50
26	006415	6/8/2001	057351	\$2,932.98
27	007805	8/10/2001	058174	\$1,199.35
28	007996	8/17/2001	058578 & 057381	\$12,182.49

All in violation of Title 18, United States Code, Section 371.

The United States Attorney further charges:

COUNT 2

**Conspiracy to Commit Mail Fraud, 18 U.S.C. § 371
DEFENDANT EDWARD LEMASTER**

21. The allegations contained in paragraphs 1, 4, and 8 of the General Allegations section of this Information are realleged and incorporated by reference as though fully set forth herein.

22. From on or about July 29, 1999, through on or about August 17, 2001, the exact dates being unknown to the United States Attorney, in the Northern District of Ohio, Eastern Division, EDWARD LEMASTER Defendant herein, and Brian Long, not named herein, did knowingly and willfully combine, conspire, confederate, and agree with each other and with others known and unknown to the United States Attorney, to commit certain offenses against the United States, namely, mail fraud, in violation of Title 18, United States Code, Section 1341.

PURPOSE AND OBJECT OF THE CONSPIRACY

23. It was the purpose and object of the conspiracy for the defendant to unjustly enrich himself by defrauding the City of Mansfield by using materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts, to induce the City of Mansfield to pay Tycour money for the benefit of the owners of Tycour and the defendant.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant sought to accomplish the object of the conspiracy included, among others, the following:

24. Tycour was established by Brian Long to appear to be a business selling various

products to the City of Mansfield.

25. Defendant procured purchase orders from the City of Mansfield requesting the purchase of products from Tycour.

26. Following receipt of a purchase order, Long sent an invoice to the City of Mansfield from Tycour requesting payment for the products that had purportedly been provided.

27. Even though no products were ever provided from Tycour to the City of Mansfield, Defendant falsely claimed that products had been received and made arrangements for the City of Mansfield to pay Tycour for the supposed products.

28. The City of Mansfield, relying on the false information provided to it from Defendant would send checks through the United States Mail to Tycour as payment for the products.

29. Brian Long of Tycour would convert the checks received from the City of Mansfield to cash, retain a portion of the cash, and give the remainder to the individual city employee responsible for generating the purchase order.

OVERT ACTS

30. The following overt acts, among others, were performed in the Northern District of Ohio and elsewhere in furtherance of the conspiracy:

Overt Acts 1 - 3

31. On or about the dates listed below, Defendant obtained the following purchase orders:

Overt Act	Amount	Purchase Order No.	Date	Description
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1	\$3,203.29	035253 & 035971	2/3/1999 & 2/9/1999	Breakers / Starters / Fuses; HPS Lamps
2	\$2,174.12	040356	7/29/1999	Electric Parts / Supplies
3	\$5,474.99	058578	7/19/2001	Transfer Gear Parts

Overt Acts 4 - 6

32. On or about the dates listed below, checks in the listed amounts were received by Tycour via the United States mail from the City of Mansfield in payment for the following purchase orders:

Overt Act	Check No.	Check Date	Purchase Order No.	Amount
4	053798	3/5/1999	035253 & 035971	\$3,203.29
5	057567	8/20/1999	040356 & 037774	\$6,416.87
6	007996	8/17/2001	058578 & 057381	\$12,182.49

All in violation of Title 18, United States Code, Section 371.

The United States Attorney further charges:

COUNT 3

Hobbs Act Conspiracy, 18 U.S.C. § 1951
DEFENDANTS TODD DILLEY and THOMAS YUGOVICH

33. The allegations contained in paragraphs 1, 3, 5-7 of the General Allegations section of this Information are realleged and incorporated by reference as though fully set forth

herein.

THE CONSPIRACY

34. From on or about January 15, 2001, and continuing through approximately June 10, 2005, the exact dates being unknown to the United States Attorney, in the Northern District of Ohio, Eastern Division, TODD DILLEY and THOMAS YUGOVICH, Defendants herein, did knowingly and willfully conspire to obstruct, delay, and affect commerce by extortion: that is, by Dilley obtaining property from Yugovich with Yugovich's consent, under color of official right.

PURPOSE AND OBJECT OF THE CONSPIRACY

35. It was the purpose and object of the conspiracy: (1) for Todd Dilley to unjustly enrich himself through the corrupt receipt of kickbacks from Yugovich in exchange for official favors and favors represented to be official favors, and (2) for Yugovich to obtain business from the City of Mansfield in return for the kickbacks he paid to Todd Dilley.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included, among others, the following:

36. THOMAS YUGOVCH was a sales representative for several companies that sold products to the City of Mansfield, including Dyna Systems, Xergon, and Partsmaster.

37. T&L Supply was established by THOMAS YUGOVCH to sell additional products to the City of Mansfield.

38. Defendant TODD DILLEY procured purchase orders from the City of Mansfield requesting the purchase of products from T&L Supply, Dyna Systems, Xergon, and Partsmaster.

39. Beginning in approximately 2001, the exact date being unknown, TODD DILLEY requested a sum of money from THOMAS YUGOVICH in return for the City of Mansfield's purchase of products from T&L Supply, Dyna Systems, Xergon, and Partsmaster through YUGOVICH. YUGOVICH agreed to provide this money to DILLEY in return for the purchases from the City of Mansfield.

40. Thereafter, TODD DILLEY procured purchase orders from the City of Mansfield for the purchase of products from YUGOVICH's companies. In return for products ordered from T&L Supply by TODD DILLEY, THOMAS YUGOVICH gave TODD DILLEY cash in return.

41. THOMAS YUGOVICH received a sales commission for each order placed through him. At times, the products that TODD DILLEY had ordered were never sent to the City of Mansfield. Even though the full amount of products was not always sent to the City of Mansfield, Defendant TODD DILLEY falsely claimed that all products had been received and made arrangements for the City of Mansfield to pay T&L Supply, Dyna Systems, Xergon, and Partsmaster.

42. The City of Mansfield, relying on the false information provided to it from Defendant TODD DILLEY would send checks through the United States Mail to T&L Supply, Dyna Systems, Xergon, and Partsmaster as payment for the products.

43. THOMAS YUGOVICH would deposit the checks received from the City of Mansfield into T&L's bank account and would provide TODD DILLEY the money he had previously requested in return for generating the purchase order.

44. THOMAS YUGOVICH would receive sales commissions from Dyna Systems,

Xergon, and Partsmaster for the money those companies received from the City of Mansfield. After he received the sales commission, YUGOVICH gave TODD DILLEY the money he had previously requested in return for generating the purchase order.

45. From January 15, 2001 to June 10, 2005, TODD DILLEY placed orders totaling approximately \$36,741 with T&L Supply and Dyna Systems.

46. In return for placing these orders, YUGOVICH gave DILLEY approximately \$7,500 total in cash.

All in violation of Title 18, United States Code, Section 1951.

The United States Attorney further charges:

COUNT 4

Hobbs Act Conspiracy, 18 U.S.C. § 1951 **DEFENDANTS EDWARD VOLZ, and THOMAS YUGOVICH**

47. The allegations contained in paragraphs 1, and 5-7 of the General Allegations section of this Information are realleged and incorporated by reference as though fully set forth herein.

THE CONSPIRACY

48. From on or about March 7, 2001, and continuing through approximately December 16, 2005, the exact dates being unknown to the United States Attorney, in the Northern District of Ohio, Eastern Division, EDWARD VOLZ, THOMAS YUGOVICH, Defendants herein, and Public Employee #1 did knowingly and willfully conspire to obstruct, delay, and affect commerce by extortion: that is, by Public Employee #1 and VOLZ obtaining property from YUGOVICH with YUGOVICH's consent, under color of official right.

PURPOSE AND OBJECT OF THE CONSPIRACY

49. It was the purpose and object of the conspiracy: (1) for Public Employee #1 and VOLZ to unjustly enrich themselves through the corrupt receipt of kickbacks from YUGOVICH in exchange for official favors and favors represented to be official favors, and (2) for YUGOVICH to obtain business from the City of Mansfield in return for the kickbacks he paid to Public Employee #1 and VOLZ.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included, among others, the following:

50. T&L Supply was established by THOMAS YUGOVCH as a business selling various products to the City of Mansfield.

51. Public Employee #1 or EDWARD VOLZ procured purchase orders from the City of Mansfield requesting the purchase of products from T&L.

52. In return for each \$1,000 ordered from T&L Supply by Public Employee #1 or EDWARD VOLZ, THOMAS YUGOVICH agreed to give Public Employee #1 \$200 in cash. Public Employee #1 retained approximately half of this money and gave the other half to EDWARD VOLZ.

53. T&L Supply would not provide the City of Mansfield with all of the products as claimed in the purchase orders. Even though the full amount of products were not provided from T&L to the City of Mansfield, Public Employee #1 and EDWARD VOLZ falsely claimed that all products had been received and made arrangements for the City of Mansfield to pay T&L.

54. The City of Mansfield, relying on the false information provided to it from Public Employee #1 and EDWARD VOLZ, would send checks through the United States Mail to T&L

as payment for the products.

55. THOMAS YUGOVICH of T&L would deposit the checks received from the City of Mansfield into T&L's bank account and would provide Public Employee #1 with \$200 in return for every \$1,000 worth of orders. Public Employee #1 retained approximately half of the money and gave the other half to EDWARD VOLZ.

56. From March 7, 2001, to December 16, 2005, Public Employee #1 and VOLZ placed orders totaling approximately \$71,941.08 with T&L Supply. From February 14, 2001 to November 28, 2005, Public Employee #1 and VOLZ placed orders totaling approximately \$19,623.10 with Dyna Systems.

57. In return for placing these orders, YUGOVICH gave Public Employee #1 approximately \$18,300 in cash. Public Employee #1 retained approximately half of this cash and gave the remainder to VOLZ.

58. As part of the agreement, Public Employee #1 and VOLZ also placed orders through YUGOVICH with Patriot Industrial Supply and Ray-Lin Enterprises in approximately December of 2005. The order with Ray-Lin Enterprises was for \$7,599.49, while the order with Patriot Industrial Supply was for \$7,961.10. No products were actually received by the City of Mansfield for this order. However, the City of Mansfield paid a total of \$15,560.59 for these two orders. Public Employee #1, VOLZ, and YUGOVICH divided the proceeds from this sale amongst themselves.

All in violation of Title 18, United States Code, Section 1951.

The United States Attorney further charges:

COUNTS 5 - 8

(Mail Fraud, 18 U.S.C. § 1341)

59. The allegations contained in paragraphs 1 and 3 of the General Allegations section of this Information are realleged and incorporated by reference as though fully set forth herein.

60. From on or about October 18, 2004, to on or about March 23, 2005, in the Northern District of Ohio, Eastern Division, TODD DILLEY, defendant herein, devised and intended to devise a scheme and artifice to defraud the City of Mansfield and to obtain money and property by means of material false and fraudulent pretenses and representations.

61. It was part of the scheme that on or about October 18, 2004, DILLEY contracted to purchase the following items from Cardinal Power Sales, Ltd., in Lexington, Ohio, purportedly on behalf of the City of Mansfield: (a) 4200 VXD 27 HP lawn mower, Serial # 4200-XBB1641; (b) 2 point hitch Cat #1; (c) Fold down roller bar; (d) rear auxiliary hydra; and (e) 60" mower deck (Serial # HM600-AA1684) (these items hereinafter described as "the Lawn Mower.")

62. It was further part of the scheme that DILLEY falsely represented to a representative of Cardinal Power Sales that due to budgetary limitations within certain departments of the City of Mansfield, several different purchase orders would be issued for the purchase of the Lawn Mower.

63. It was further part of the scheme that DILLEY submitted false purchase orders to the City of Mansfield for products other than the Lawn Mower to obtain checks from the City of

Mansfield to Cardinal Power Sales to pay for the Lawn Mower.

64. It was further part of the scheme that DILLEY kept personal possession of the Lawn Mower and used it for his own benefit, rather than delivering it to the City of Mansfield.

65. On or about the dates listed below, for the purpose of executing the scheme and attempting so to do, Defendant caused the following mail matter to be placed in a post office and authorized depository for mail matter to be sent and delivered by the Postal Service according to the directions thereon to Cardinal Power Sales from the City of Mansfield, the following checks, all in the Northern District of Ohio:

Count	Date	Check Number	Amount
5	8/20/2004	27216	\$4,205.04
6	9/10/2004	27625	\$1,381.00
7	9/17/2004	27746	\$8,685.00
8	3/31/2005	31485	\$2,272.40

All in violation of Title 18, United States Code, Section 1341.

Gregory A. White
United States Attorney